

COMPENSATION FOR CLEARED CANDIDATES

IN THE U.S. SOUTHWEST





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ARIZONA, NEW MEXICO, OKLAHOMA, TEXAS

Year-round sunshine and wide, open spaces make the southwest region a great place for cleared candidates looking to avoid the cost, congestion, or commutes of the coasts. While Texas has a big personality and land mass, the other states have a lot to offer - from the forests and plains in Oklahoma to the deserts in New Mexico and Arizona. The dry, arid climate makes the Southwest a hot region for the aerospace industry. And each state boasts a strong defense contracting presence, with The Boeing Company in Oklahoma, Lockheed Martin in Texas, Sandia National Laboratories in New Mexico, and Raytheon in Arizona. The region also has multiple military hubs and government facilities - like the Barry M Goldwater Air Force Range in Arizona, the White Sands Missile Range in New Mexico, and the Utah Data Center.

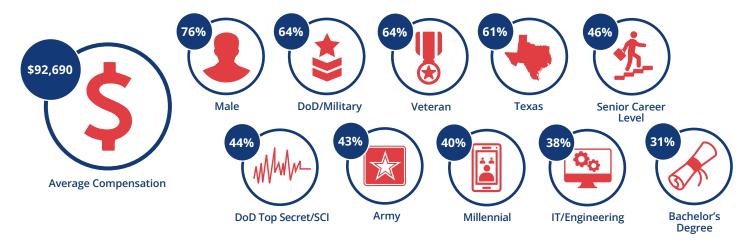
Average total compensation in the Southwest is \$92,690 - a 1% drop - which is the same decline as the rest of the cleared industry, according to the 2022 Security Clearance Compensation Report. Thanks to a lower cost of living in the Southwest, cleared candidates can live comfortably on a salary that is less than the national cleared average of \$101,395.

Total Compensation

	2020	2021	% Change
Average Total Compensation	\$93,798	\$92,690	-1%

THE SOUTHWEST AT A GLANCE

KEY DEMOGRAPHICS OF CLEARED EMPLOYEES



Clearance and Compensation Levels

While clearance levels matter, the primary factors in compensation are location and occupation. A higher clearance may pay more, but the job that's requiring the clearance is the biggest driver in compensation. While the majority of Southwest respondents have a Secret or Top Secret/SCI clearance, those candidates felt their compensation fluctuate this past year. As older generations retire, millennials are stepping into

leadership roles. It takes time for experience and compensation to catch up to prior years.

Intel clearances continue the pattern of paying well - with a salary that's over \$40,000 higher than a Secret clearance. The DoD presence is high in the Southwest, with 64% supporting the DoD or military branches.

Total Compensation by Clearance

	2020	2021	% Change
Dept of Defense Confidential	\$64,143	\$81,786	28%
Dept of Defense Secret	\$83,276	\$81,221	-2%
Dept of Defense Top Secret	\$100,202	\$104,636	4%
Dept of Defense Top Secret/SCI	\$103,407	\$99,709	-4%
Dept of Energy (Q or L)	\$106,015	\$106,601	1%
Intelligence Agency (CIA, FBI, NSA)	\$106,957	\$125,229	17%
Dept of Homeland Security	\$99,500	\$91,296	-8%
Public Trust	\$80,479	\$77,508	-4%
Other Government Agency	\$87,979	\$81,445	-7%

Experience and Education Compensation Levels

Although executives found compensation to be bumpy in 2021, senior-level professionals' salaries stayed flat. While competing for programs in a lower cost of living area, like the Southwest, can make an organization a standout industry player, it also impacts earning potential for more seasoned employees. Both senior-level and management employees in the Southwest make a little over \$11,000 less than the industry average. Organizations that don't focus on compensation strategies will find their experienced employees flying off to other regions.

Compensation by Career Level

	2020	2021	% Change
Entry Level (less than 2 yrs experience)	\$55,926	\$56,630	1%
Early Career (2+ yrs experience)	\$65,246	\$66,608	2%
Mid Level Career (5+ yrs experience)	\$75,642	\$76,425	1%
Senior Level Career (10+ yrs experience)	\$100,252	\$100,315	0%
Management (Manager/Director of Staff)	\$125,078	\$126,617	1%
Executive (SVP, EVP, VP)	\$158,00	\$168,064	6%
Senior Executive (President, CEO)	\$133,358	\$121,667	-9%

Sometimes climbing the career ladder means adding a diploma to the resume. And usually, that translates to higher compensation. Those who added a Master's degree to their credentials had their earnings jump up \$17,946. The key to developing tomorrow's talent is investing in education today. And in 2021, 53% of respondents in the Southwest said they had at least one certification, a 2% increase from 2020. Those touting at least one certification earned \$14,168 more than those without.

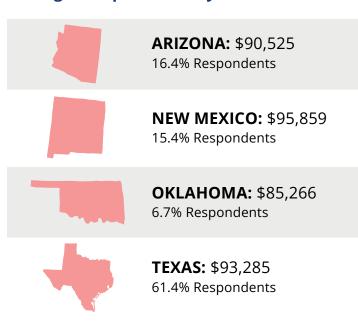
With lower than average living costs in Texas, New Mexico, and Oklahoma, it's easier to make salaries stretch farther in the Southwest. And states like Arizona are investing in aerospace and defense initiatives at the university level. NASA's Aeronautics University Leadership Initiative supports research teams exploring aviation improvements at Arizona State University. In an area filled with cyber and aerospace opportunities, the key is deciding on the right certification or degree to move careers and compensation forward.



Compensation by Education Level



Average Compensation by State



The Southwest may only have four states, but each one plays a vital role in national security. Not surprisingly, Texas makes up the bulk of the Southwest, which is fitting since it's the second largest state in the U.S. But the opportunities continue to grow each year throughout the region.

Texas has a long and rich history in aerospace, with Neil Armstrong and Buzz Aldrin training for the Apollo 11 mission in the state. And Texan colleges and universities continue to make research and development investments that drive innovation forward. Arizona boasts a large military talent pipeline, with 600,000 service members and veterans from all branches and eras of services making the state their home. As cyber needs explode, veterans leaving Fort Huachuca, home to the U.S. Army's Network Enterprise Technology Command (NETCOM), 9th Signal Command, and Intelligence Center of Excellence, have the Top Secret clearance and the critically-needed cyber and intel skills.

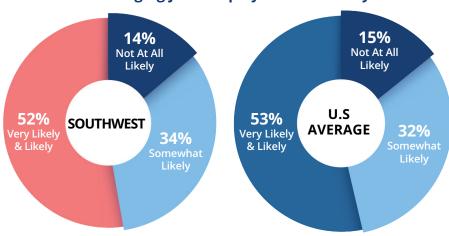
New Mexico is home to three national laboratories, military bases, and testing ranges. The 310 days of sunshine in New Mexico make it an aviation dream come true. And with the lowest property tax in the U.S., New Mexico is a standout location for cleared candidates. Oklahoma is also a hotbed for aerospace organizations, and the Mercatus Center at George Mason University ranked the state #3 in drone preparedness. In this growing industry, Oklahoma is becoming a standout as an unmanned research and development hub.



Job Hopping in the Southwest

In the Southwest, 86% say they are likely to switch things up in the next year. In the contracting world, an ending period of performance can have candidates updating resumes, but candidates

Likelihood of changing jobs/employer in the next year



unwilling to change jobs or employers earn over \$11,000 more than those who are looking to make a move. And when it comes to recruiting job hoppers, southwest candidates who are willing

to relocate are the most open to pay increase (67%) and/or career advancement (36%) - far surpassing the 8% wanting flexible schedule options. Similarly, when asked what would make an employee stay with their current employer, 62% would opt for higher compensation. As inflation takes its toll on both high and low cost of living areas, it's clear that compensation will continue to play a pivotal role in recruiting and retaining top talent.

TOP 10 HIGHEST PAYING JOBS IN THE WEST

While tech skills drive earning potential in the Southwest, the options to support aerospace opportunities are diverse. And for highly technical positions - like systems engineering - the Southwest competes with the national average of \$129,351. When housing costs are lower than other regions, along with an area filled with high appeal, employers can offer the right work-life balance for employees.

JOB	AVERAGE COMPENSATION
Systems Engineering	\$129,840
Legal	\$125,137
IT Software	\$120,300
Project and Program Management	\$119,014
Data Science	\$108,138
Civil Engineering	\$102,530
Cybersecurity	\$102,082
Military and Law Enforcement	\$101,224
Business Sales	\$100,001
Electrical Engineering	\$97,846

Veterans are drawn to the Southwest, with a 9% higher concentration of veterans in the cleared industry than the national average. Hot job opportunities and a lower cost of living make the Southwest an ideal military transition location. The Southwest also offers organizations a more cost effective access to a growing technology center.

The Southwest is a hub for the aviation, aerospace, and defense sectors, and has continued growing over the past several years.

With 300+ days of sunshine a year, it's an ideal location for testing and development. But even outside of career and living expenses, the area is a beautiful place to live. Residents are never far from national parks and stunning landscapes you won't find anywhere else in the U.S. And increases in cleared employers and a growing STEM focus to support the cyber and aerospace industry will take jobs in the southwestern region to new heights.



Employer Branding Helps Hiring

Effective branding can result in a 1-2x reduction in time-to-hire.

95%

OF CANDIDATES IDENTIFY A
COMPANY'S REPUTATION AS A KEY
CONSIDERATION WHEN
EXPLORING NEW CAREER
OPPORTUNITIES.

93%

OF CANDIDATES SPEND AT LEAST 10 MINUTES RESEARCHING A PROSPECTIVE EMPLOYER'S BRAND

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IMPORTANT INFORMATION ABOUT OUR SURVEY

The 2022 Security Clearance Compensation Survey was administered online by ClearanceJobs from September 17, 2021 and December 31, 2021. In 2021, there were 52,028 survey participants, an increase of 14% over the 2020 survey. After excluding survey respondents without a security clearance, unemployed, active-duty military, students, those whose compensation was below \$18,000 or above

clearance, unemployed, active-duty military, students, those whose compensation was below \$18,000 or above \$300,000, and finally incomplete or duplicate questionnaires, there remained 24,089 usable responses in 2021. ClearanceJobs studied the following five regions across the United States: northeast, southeast, midwest, southwest, and west.

The southwest region had 2,652 usable responses. Survey results are compared to the 2,024 usable responses captured in 2020 that followed the same parameters.



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<u>ClearanceJobs</u> is your all-in-one recruiting solution. Much like a CRM, our unique system lets you target top candidate leads, converting cool passives to active candidates ready to make a move—to your company.

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